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Approved For Release 2003/04/29 : CIA-RDP84-00780R004800010002-9

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ADMINISTRATIVE - INTERNAL USE ONLY

DD/S 72-2944

18 JUL 1972

MEMORANDUM FOR: Acting Deputy Director for Support

THROUGH : Special Support Assistant to the DD/S

SUBJECT : DD/S Role in Real Estate/Construction Approvals

REFERENCES : (a) Note dtd 26 June 72 to D/L fr SSA-DD/S, same subject

(b) Memo dtd 13 May 70 to Ex. Dir. -Compt. fr DD/S,
subject: Approval of Construction Activities and
Real Estate Purchases

(c) Memo dtd 29 July 65 to Ex. Dir. -Compt. fr DD/S,
subject: Approval Authorities

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1. This memorandum is for your information only.

2. In response to your request, we have reviewed the DD/S role from the standpoint of management approval and authorization of real estate/construction requirements Agencywide. Basically, the authority in this area stems from the documents and regulatory provisions identified in References (b) through (e). The imperfection of this basic authority, which you brought to our attention during recent correspondence on this matter, results in considerable constraint on the DD/S role. Since you have advised that Mr. Colby is looking into this situation with a view toward revision of approval levels, we have undertaken to outline the present DD/S role (Attachment 1), and also the appropriate role, as we envision it, for the future (Attachment 2).

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SUBJECT: DD/S Role in Real Estate/Construction Approvals

3. The present system for approval of real estate/construction projects is highly decentralized. This is due primarily to the fact that the system is tied closely to the authority of each Deputy Director to commit approved programmed funds for real estate/construction, and their respective delegations of authority to reprogram and redistribute funds for this purpose. Accordingly, other Deputy Directorates need not look for approval from the DD/S or elsewhere if real estate/construction requirements in their budget programs have been approved, or if the requirements do not exceed their respective delegations of authority to reprogram and redistribute funds. In the event such requirements do exceed delegated authority, the Deputy Director concerned then seeks approval directly from the Executive Director-Comptroller.

4. As a result of this decentralization, the DD/S role does not extend to approval of real estate/construction requirements for any Agency component outside of the Support Directorate, except that which stems from the authority of the Director of Logistics [Reference (e)] to "Direct real estate . . . acquisition . . . and construction . . ." Under this authority, the Director of Logistics provides technical authorization for real estate/construction activities Agencywide. As described in Attachment 1, the technical authorization is a centralized professional engineering and architectural process which is the implementing guide for performance and completion of real estate/construction projects.

5. Due to the disparity between the present decentralized management approval system and the centralized technical authorization process, the role of the DD/S is complex and, in our opinion, unnecessarily limited in relationship to the management responsibilities of the Support Directorate for real estate/construction. Accordingly, we suggest that consideration be given toward revision of the DD/S role and the subsidiary role of the Director of Logistics, with a chain of command authority equivalent to Support Directorate technical responsibilities for real estate/construction activities.

6. In summary, we propose that all Agency real estate/construction requirements be channeled to the Support Directorate for final management approval action regardless of prior financial programming, reprogramming or funds source. This proposed centralized role is described in further detail in Attachment 2. We believe that its adoption, along with appropriate regulatory changes, will do much to strengthen and clarify the DD/S role, as well as realign the Support Directorate management authority consistent with responsibilities.

JOHN F. BRAKE

Director of Logistics

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Attachment 1

PRESENT ROLE OF THE DD/S

1. Management Approval of Real Estate/Construction
 - a. The DD/S approves all real estate/construction plans and resource requirements of elements within the Support Directorate which are submitted annually by such elements as part of their budget programs.
 - b. Each of the other Deputy Directors have the same degree of authority for management approval and control of real estate/construction plans and resources programmed annually by those elements within their respective Directorates.
 - c. The DD/S has authority to approve requests from elements within the Support Directorate for reprogramming and redistribution of resources for real estate/construction up to \$100, 000. Such reprogramming requirements exceeding \$100, 000 must be submitted to the Executive Director-Comptroller.
 - d. Each of the other Deputy Directors has similar authority.
2. Technical Authorization for Real Estate/Construction
 - a. Technical authorization is a subsidiary or supplementary implementing process to the management approval of real estate/construction projects. Such authorization cannot, therefore, be effected until a project and its resource requirements have received managerial approval through the financial programming or reprogramming process (paragraph 1 above).
 - b. Technical authorization is the professional architectural and engineering means of ensuring that all real estate/construction projects are performed in the most economical manner compatible with professional criteria including safety, reliability, aesthetics where applicable, and pertinent laws, regulations, and codes.
 - c. Once a real estate/construction project has received management approval and the funds have been allocated, the technical authorization then becomes the implementing guide for performance and completion of the requirement by either commercial contract or assignment to another Government agency having a capability for such project.

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- d. Technical authorization is a primary functional responsibility of the Chief, Real Estate and Construction Division, Office of Logistics, and is carried out on an Agencywide basis. Although it is not a direct role of the DD/S, technical authorization is under DD/S managerial control since it is carried out by a component of the support organizational structure.
 - e. The Director of Logistics authority to commit allocated funds under a technical authorization is, of course, limited to the amount of programmed or reprogrammed resources approved by the appropriate management process. The Chief, Real Estate and Construction Division has been delegated the authority to commit allocated funds under a technical authorization up to \$100, 000, provided that the approved programmed or reprogrammed financial resources are not exceeded. This authority to commit allocated funds under a technical authorization has also been delegated to specific [redacted] stations where architectural and engineering competence are readily available. Such delegations are in varying amounts and are now being reviewed with the goal of establishing uniformity.
 - f. All technical authorizations, including those accomplished under delegated or redelegated authority, are subject to special regulatory restrictions such as [redacted] which requires DD/S approval of any alterations exceeding \$5, 000.
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Attachment 2

PROPOSED ROLE OF THE DD/S

1. It is proposed that the present management approval system and the subsidiary technical authorization process be combined in one simplified management control procedure centralized in Support Directorate command channels.
2. Under this procedure all real estate/construction projects, regardless of financial programming, reprogramming, or funds source, would be channeled to the Support Directorate for approval. This centralized source would act on real estate/construction requirements as follows:
 - a. The DD/S would be the final approving authority on all Agency requirements up to \$150,000. Favorable action by the DD/S would also constitute the technical authorization for the project to proceed.
 - b. The Executive Director-Comptroller would be the final approving authority on all Agency requirements over \$150,000. Such requirements would be forwarded through the DD/S for prior Support Directorate consideration in every instance. Favorable action by the Executive Director-Comptroller would also constitute the technical authorization.
 - c. The Director of Logistics would be delegated the authority to provide final approval on all Agency requirements up to \$25,000. On these requirements, favorable action by the Director of Logistics would also include the technical authorization.
3. It is further proposed that the \$5,000 regulatory restriction [redacted] as described in paragraph 2f of the foregoing Attachment 1, be changed to reflect the above levels.

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23 DEC 1963

MEMORANDUM FOR: Deputy Director (Plans)
Deputy Director (Intelligence)
Deputy Director (Science & Technology)
Deputy Director (Support)

SUBJECT : Approval of Research and Development Activities

1. In accordance with paragraph 1.e. of the regulation on the Approval System [REDACTED] Revised 27 June 1963, this memorandum establishes guidelines for the approval of certain separate activities, namely the research and development efforts initiated by the Agency. The intent is to standardize the financial levels at which approval of higher level authority must be obtained.

2. As of this date the separate activities which shall be responsive to this memorandum of instruction, on an item-by-item basis, are:

- a. Agent-oriented engineering/development efforts, whether contracted for externally or conducted internally, of the Technical Services Division, DD/P.
 - b. Research and development efforts relating to improved photographic exploitation initiated by the National Photographic Interpretation Center, DD/I.
 - c. Research and development undertakings of the Office of Communications, DD/S.
 - d. Research and development efforts of the Office of Research and Development and the Office of ELINT, DD/SDT.
 - e. The research and development activities, other than those included under the National Reconnaissance Office, of the Office of Special Activities, DD/SAT.
3. The annual preparation of R&D programs shall be coincident to the formulation of the Operating Budget. Review of these programs shall be undertaken by the Deputy Director concerned, in concert with the Director, Office of Budget, Program Analysis and Manpower and the Executive Director-Comptroller. The R&D programs and supporting detail as prescribed by the Executive Director-Comptroller will form the basis for approval by the Deputy Director of Central Intelligence of the R&D portion of the Operation Budget.

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EX-1
Excluded from automatic
downgrading and
declassification

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23 DEC 1964

MEMORANDUM FOR: Deputy Director (Plans)
Deputy Director (Intelligence)
Deputy Director (Science & Technology)
Deputy Director (Support)

SUBJECT : Approval of Research and Development Activities

- 25X1
1. In accordance with paragraph 1.c. of the regulation on the Approvals System [REDACTED] Revised 27 June 1963), this memorandum establishes guidelines for the approval of certain separate activities, namely the research and development efforts initiated by the Agency. The intent is to standardize the financial levels at which approval of higher level authority must be obtained.
 2. As of this date the separate activities which shall be responsive to this memorandum of instruction, on an item-by-item basis, are:
 - a. Agent-oriented engineering/development efforts, whether contracted for externally or conducted internally, of the Technical Services Division, DD/P.
 - b. Research and development efforts relating to improved photographic exploitation initiated by the National Photographic Interpretation Center, DD/I.
 - c. Research and development undertakings of the Office of Communications, DD/S.
 - d. Research and development efforts of the Office of Research and Development and the Office of ELINT, DD/R&D.
 - e. The research and development activities, other than those included under the National Reconnaissance Office, of the Office of Special Activities, DD/SAT.
 3. The annual preparation of R&D programs shall be coincident to the formulation of the Operating Budget. Review of these programs shall be undertaken by the Deputy Director concerned, in concert with the Director, Office of Budget, Program Analysis and Manpower and the Executive Director-Comptroller. The R&D programs and supporting detail as prescribed by the Executive Director-Comptroller will form the basis for approval by the Deputy Director of Central Intelligence of the R&D portion of the Operation Budget.

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1
[Redacted]
2
3
4

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- 2 -

4. In addition to procedures relating to program review and Operation Budget approval, the individual R&D efforts as set forth in paragraph 2. above require prior approval by the Deputy Director of Central Intelligence whenever:

- a. A proposed undertaking involves a significant new policy consideration, or for any other reason suggests the desirability of prior consideration at head-of-agency level, regardless of financial magnitude.
- b. A proposed new undertaking requires a total authorization in excess of \$150,000 in the current fiscal year.
- c. An amendment is proposed for an existing project or contract which would raise the total authorization more than \$100,000 above the level established in the pertinent R&D program.

Such requests for DDCI approval shall be submitted via the Director, Office of Budget, Program Analysis and Manpower and the Executive Director-Comptroller. Attached at Annex is a suggested outline to be followed in documenting R&D projects and contracts for approval purposes. Where there is an existing approvals mechanism within a Deputy Directorate such systems may be retained provided the submissions generally encompass the information required at Annex.

5. A Deputy Director may:

- a. Approve new R&D efforts and amend, extend, renew or terminate continuing efforts which, based on the guidance given in paragraph 4. above, do not require consideration by the Deputy Director of Central Intelligence.
 - b. Delegate approval authorities contained in paragraph 5.a. above to his Assistant Deputy Director.
 - c. Delegate to subordinate Operating Officials authority to approve new R&D efforts and to amend, extend, renew or terminate continuing efforts, provided the action taken will not cause the total authorization to exceed \$50,000 in the current fiscal year.
6. Deputy Directors will notify the Director, Office of Budgets, Program Analysis and Manpower of all financially significant changes relating to CIO programs in such detail as the Executive Director-Comptroller may require for reporting on a current basis the status of the Financial Plan to the Deputy Director of Central Intelligence.

ILLEGIB

1. Lieutenant General, USA

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Annex

Research and Development
Project Approval Request

I. Identification

Under what category of Agency Program Activity will project be undertaken; by what component; included in financial plan and at what level; if not what prompted initiation now; any internal designation?

II. Objectives

What is requirement for this effort, what will be resulting product, how will it be used, what is advancement over existing capabilities?

III. Background

Substantive and/or operational justification, previous or existing means of meeting problem pertinent operational experience.

IV. Technical Specifications

Technical data as applicable and in sufficient detail to permit reasonable evaluation by qualified staff elements within the requesting component, but at the same time this section should not incorporate full specifications as might be worked up by the contractor.

V. Contractor & Financial Arrangements

Name of firm; others considered; reason for choice; cost; duration; guidance from Headquarters, etc.

VI. Coordination

Within the Agency; with other Governmental departments; with academic or business institutions as appropriate.

VII. Technology

Within the Agency; within the contracting firm or institution; other aspects.

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BPM 65-6636

65-4329

23 JUL 1963
 b d / s R & G I S T R Y
 FILE *Otn*

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT : Approval Authorities

25X1 REFERENCE : (a) [] same subject

(b) Memo dtd 23 Dec 63 to Deputies fr DDCI,
 subj: Approval of Research and
 Development Activities

1. This memorandum submits recommendations for your approval; these recommendations are contained in paragraph 7.

25X1 2. Headquarters Regulation [] contains policy pertaining to the review and approval of budgets and programs, funds allocations to Agency components, guidance and instructions relating to approval authorities, and criteria regarding the reprogramming of allotted funds. A memorandum dated 23 December 1963 from the Deputy Director of Central Intelligence to the Deputy Directors established guidelines for the approval of research and development activities at the Deputy Director level and specifically authorized Deputy Directors to approve research and development activities which do not, singly, exceed \$150, 000.

25X1 3. Neither [] the memorandum from the DDCI dated 23 December 1963 establish specific monetary approval levels for non-research and development activities. In the past, it has been the practice for the Deputy Director for Support to submit to the Deputy Director of Central Intelligence, only those proposed commitments which exceed \$150, 000.

4. Support Directorate proposed commitments of a non-research and development nature which exceed \$150, 000 are usually of a routine

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nature to the office concerned, such as: large single procurements of standard equipment for the Office of Communications, or replenishment of standard supplies and material for the Office of Logistics inventories. It is felt that when proposed Support Directorate actions have been included in the Support Component's Budget and Program, have been reviewed by the Office of BPAM, and have been approved by the Director of Central Intelligence, they need not normally be submitted to the Deputy Director of Central Intelligence for further consideration.

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5. [redacted] states: "Within the jurisdiction of the Executive Director-Comptroller and of each Deputy Director and Head of an Independent Office, the allocations made to major staffs, divisions, and offices are not ordinarily subject to redistribution." It recognizes, however, the occasional necessity for departure from the fixed plan to "align resources with changing requirements." The Regulation does not, however, establish monetary limitations within which Deputy Directors or Heads of Independent Offices may reprogram allotted funds without higher approval. It has been the practice in the Support Directorate to permit Office Heads to realign their allotted funds to meet changing requirements provided that any proposed undertaking does not involve policy considerations. As a practical matter, funds allotments have not been transferred between Support Components for reprogramming purposes except for end-of-fiscal year adjustments. In these cases, the Deputy Director for Support approves the transfer.

For the
Support
Directorate

6. With regard to the purchase of real estate, or the construction of buildings and facilities, it has been the practice of the Deputy Director for Support to submit for approval to the Deputy Director of Central Intelligence proposed commitments involving funds in excess of \$25,000. It is felt that such proposed actions, regardless of amount, which were included in a DCI approved office budget and program need not be submitted to the Deputy Director of Central Intelligence for approval; except those actions which are considered particularly sensitive or would be of particular interest to the Deputy Director of Central Intelligence. When such proposed actions have not been included in a DCI approved office budget and program, it is suggested that the Deputy Director for Support be given approval authority up to

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\$75,000 and that actions exceeding \$75,000 be submitted to the Deputy Director of Central Intelligence for consideration.

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7. In view of the absence of specific monetary provisions in [redacted] with regard to approval levels, I believe it is appropriate to seek guidance on and a clear definition of my approval authorities in the utilization of Agency funds allotted to the Support Directorate. It is recommended that for the Support Directorate, the Deputy Director for Support be authorized to:

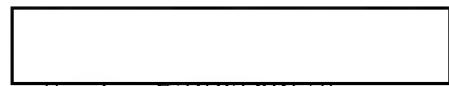
- a. Retain the authority to approve research and development activities as delegated to the Deputy Directors by the DDCI in his memorandum of 23 December 1963 (Reference b).
- b. Approve activities other than research and development involving funds not exceeding \$150,000 when such activities are not specifically included in DCI approved office budgets and programs.
- c. Approve construction activities or real estate purchases involving funds not exceeding \$75,000, when such actions are not specifically included in DCI approved office budgets and programs.
- d. Approve activities other than research and development regardless of financial magnitude when such activities are specifically included in DCI approved office budgets and programs.
- e. Approve incremental reprogramming of funds within the Offices of the Support Directorate not exceeding a total of 10 per cent of an Office allotment.

If this recommendation is approved, I will, of course, continue to submit for approval of the Deputy Director of Central Intelligence any proposed commitment of funds for any purpose, regardless of magnitude,

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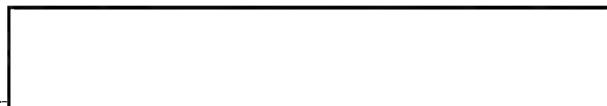
when such undertaking is believed to be particularly sensitive or of significant interest to the Deputy Director of Central Intelligence.



R. L. Bannerman
Deputy Director
for Support

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The recommendations contained in paragraph 7 are approved:



L. K. White
Executive Director-Comptroller

10 AUG 1965
Date

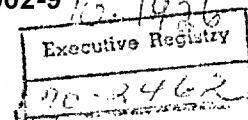
Distribution:

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FILE # 1014
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13 MAY 1970

MEMORANDUM FOR: Executive Director- Comptroller

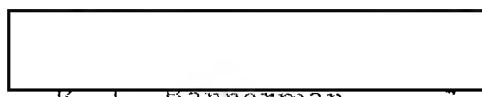
SUBJECT: Approval of Construction Activities and
Real Estate PurchasesREFERENCE: Memo dtd 29 July '65 to Ex. Dir-Compt. fr
DD/S, subj: Approval Authorities

1. This memorandum submits a recommendation for your approval; such recommendation is contained in paragraph 4.

2. We have experienced difficulty in determining from the written record where authority exists to approve construction activities and real estate purchases. By referent memorandum I requested, among other things, that the Deputy Director for Support be provided such authority not to exceed \$75,000.00. Your 10 August 1965 approval of referent memorandum reduced the level of that authority to \$25,000.00. After several months of experience with the \$25,000.00 limitation we again discussed the subject, and you verbally authorized me to approve construction activities and real estate purchases up to the \$100,000.00 level. Unfortunately I did not submit to you a paper which would make this a matter of record.

3. During February 1970 you passed to me for comment a proposed new approval policy which if implemented would provide me with authority in this area up to \$200,000.00. The new approval policy has not yet been implemented.

4. It would be helpful to me if during this interim period until the new approval policy is issued, that my authority to approve construction activities and real estate purchases not to exceed \$100,000.00 be confirmed.



R. L. Bannerman
Deputy Director
for Support

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SUBJECT: Approval of Construction Activities and Real Estate Purchases

The recommendation contained
in paragraph 4 is approved.

25X1

[Redacted]
Executive Director-Comptroller

18 May 70
Date

Distribution:

Orig - Addressee (To be returned to DD/S) - DD/S Subject
2 - Ex. Dir-Compt.
2 - ER
1 Z - DDS
2 - SSA/DDS
1 - D/Log (19 May 70)